



Issue Brief: UCAT New Facilities O & M

HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE

SUMMARY

The Analyst recommends two one-time funding reductions for FY 2009 O & M at two UCAT campuses, totaling \$231,800. In addition, the Analyst recommends a further one-time reduction of \$19,400 for FY 2010.

OBJECTIVE

Funding of O & M for new and renovated facilities helps to maintain the buildings and preserve the State's capital investments on UCAT campuses. One facility at each of two UCAT campuses has been approved and funded by the Legislature. Funding for O & M was put in the base funding, then taken out on a one-time basis while the building is under construction.

DISCUSSION AND ANALYSIS

In the 2006 General Session, the Legislature approved a new building for the Uintah Basin ATC. Funding in the amount of \$393,200 was approved for the O & M expenses. This was offset in the FY 2007 and FY 2008 budget with a one-time reduction of the same amount. During the 2008 General Session, six months of O & M funding was offset, based on the projected completion date of January 1, 2009. The completion date has been pushed back to July 19, 2009, so the balance of the FY 2009 funding that was left should be reduced as a one-time offset. The Analyst also recommends a one-time FY 2010 reduction for the building in the amount of \$19,400.

During the 2007 General Session, the Legislature approved a Technology/Manufacturing building for the Davis ATC. Funding in the amount of \$422,200 was approved for the O & M expenses. This was offset in the FY 2008 budget with a one-time reduction of the same amount. During the 2008 General Session, a one-time offset of \$246,300 was approved, based on an expected completion date of February 1, 2009. The building is now scheduled to be in operation February 28, 2009, so one additional month of O & M can be saved. The one-time reduction is \$35,200.

The total one-time reduction for FY 2009 for the two facilities is \$231,800, while the one-time reduction for FY 2010 is \$19,400.

**UCAT New Facilities Operations and Maintenance
FY 2009 One-time Reductions**

	<u>Expected Completion Date</u>	<u>O & M Base Budget FY 2009</u>	<u>One-time FY 2009 Reduction</u>	<u>LFA FY 2009 Add'l.</u>
<u>Previously-Approved Projects:</u>				
<u>2006 General Session:</u>				
Uintah Basin ATC				
Vernal Building	19-Jul-09	\$393,200	(\$196,600)	(\$196,600)
<u>2007 General Session:</u>				
Davis ATC				
Technology/Manufacturing Building	28-Feb-09	422,200	(246,300)	(35,200)
Total FY 2009 UCAT One-time Reductions		\$815,400	(\$442,900)	(\$231,800)

FY 2010 One-time Reductions

	<u>Expected Completion Date</u>	<u>O & M Base Budget FY 2009</u>	<u>LFA FY 2010 Add'l.</u>
Uintah Basin ATC			
Vernal Building	19-Jul-09	\$393,200	(\$19,400)
Total FY 2010 UCAT One-time Reductions		\$393,200	(\$19,400)